

## Introduced by Senator Murray

February 22, 2005

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An act to add Sections 19605.25 and 19605.46 to the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 677, as introduced, Murray. Horse racing.

Existing law provides that all revenues distributed to the state as license fees from horse racing are required to be deposited in the Fair and Exposition Fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes.

This bill would authorize an additional 5 satellite wagering facilities to be situated in Los Angeles County, as specified. The bill would also authorize the Alameda County Fair to operate 2 additional satellite wagering facilities, as specified.

By expanding wagering on horse racing by authorizing additional satellite wagering facilities, this bill would increase the amount of continuously appropriated license fees, thereby making an appropriation.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 19605.25 is added to the Business and
- 2 Professions Code, to read:
- 3 19605.25. (a) In addition to any authorized satellite wagering
- 4 facility, the board, with the approval of the Department of Food

1 and Agriculture, may authorize any fair or racing association in  
2 the central zone to operate a satellite wagering facility pursuant  
3 to this section if it finds that is in the best interest of horse racing.

4 (b) The racing associations situated in the central zone and  
5 quarter horse racing associations situated in the southern zone  
6 may join together with the Los Angeles County Fair, the 50th  
7 Agricultural District, or the 51st Agricultural District to site an  
8 additional five satellite wagering facilities in Los Angeles  
9 County. The location of each of these satellite facilities shall be  
10 mutually agreed upon by any of these entities that has a race  
11 track or satellite facility within 30 miles of the proposed location  
12 of the new facility. Any of these entities that has a race track or  
13 satellite facility located within 30 miles of the proposed location  
14 of one of these five facilities shall have the opportunity to invest  
15 in the ownership and operation of that facility at the time of  
16 approval of that facility by the board. The organization  
17 representing thoroughbred horsemen may also be a party to the  
18 ownership and operation of these proposed facilities.

19 (c) The distribution of the handle may, with the consent of the  
20 affected horsemen's associations and racing associations, be  
21 based on an agreement among the parties described in  
22 subdivision (b), rather than the usual satellite distribution. Any  
23 change in the distribution shall only affect the portions that are  
24 intended for purses and commissions, and shall be agreed to by  
25 all the racing associations, fair racing associations, and  
26 horsemen's organizations in the central and southern zones.

27 SEC. 2. Section 19605.46 is added to the Business and  
28 Professions Code, to read:

29 19605.46. Notwithstanding subdivision (a) of Section 19605,  
30 and Section 19605.1, the Alameda County Fair may, with the  
31 approval of the Department of Food and Agriculture, the  
32 authorization of the board, and subject to the conditions set forth  
33 in Section 19605.3, operate two additional satellite wagering  
34 facilities within the boundaries of the fair district. However, any  
35 facility situated in the City of Oakland shall be sited only with  
36 the concurrence of the racing association in Alameda County.  
37 The racing association in Alameda County shall have the  
38 opportunity to invest in the ownership and operation of any  
39 satellite wagering facility situated in the City of Oakland or

- 1 within 20 miles of the racing association's race track in Alameda
- 2 County.

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